

## Parks and Neighborhood Committee February 7, 2013

Council Bill #117704: Marination Concession Agreement for Seacrest Boathouse

Legislation/Agreement summary and highlights – prepared by the Department of Parks and Recreation

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### **C.B. 117704 TITLE**

Relating to the Department of Parks and Recreation; authorizing the Superintendent to enter into a concessions agreement with Marination LLC to manage and operate a restaurant and rental concession at the Seacrest Boathouse; and ratifying and confirming certain prior acts.

### **LEGISLATION SUMMARY:**

This legislation authorizes the Superintendent of the Seattle Parks and Recreation to enter into a six-year Concession Agreement with Marination LLC to manage and operate the Seacrest Boathouse as a restaurant and boat and recreation equipment rental facility for the public.

### **Brief history and recent action (s):**

Boat rentals and retail sales of fishing equipment have been available at Seacrest Boathouse since the early 1980's and were popular amenities with park visitors; however, since the late 1990's this line of business has not proven to be a viable income source for anyone to operate the site at a profit. Parks publicly advertised a Request for Proposal (RFP) process in 1999 and Alki Crab and Fish Company's response proposed a restaurant at the site in addition to the fishing and boating operation. Alki Crab and Fish Company completed renovation of the kitchen in 2001 and was issued a long-term contract. The contract with Alki Crab and Fish Company expired in June 2011. DPR granted an extension through September 30, 2012, in order to complete a Request for Proposal (RFP) process.

The RFP was advertised on August 31, 2011 with proposals due on October 7, 2011. Three companies submitted proposals: Alki Crab and Fish, Marination LLC, and Cowboyz. City evaluators scored the proposals based on established criteria and interviewed the top two applicants, Marination LLC and Alki Crab & Fish. The evaluation panel unanimously selected Marination LLC, a Women and Minority Business Enterprise, as the proposal that was most advantageous to the City.

### **Key terms and conditions of the agreement:**

**Use of Premises:** Marination has exclusive use during the term of this agreement to operate the Seacrest Boathouse as a restaurant food service operation and provide outdoor boating services.

**Term:** The agreement has an initial term of 6 years with an option for another 5 years at the discretion of the City.

**Rent:** 6.5 % of Gross Receipts less sales tax through June 30 2013 and then it goes up to 10% of Gross Receipts less any sales tax for the remaining term of agreement. We estimate that the City will collect a minimum of \$300,000 over the 6 year period of the term.

**Tenant Capital Investment:** Marination will make a minimum investment of \$150,000 in initial capital improvements to the Seacrest Building. City will retain all permanent improvements when the agreement expires.

**Maintenance:** Marination will provide routine maintenance and pay for utilities that it will use for the operation of their operation. Estimated savings to Parks is \$60,000 over a six year period. The City will provide standard major maintenance.

**Public Benefit:** Providing high quality restaurant food and beverage services at a heavily used popular City park. The income generated goes back to the Park Fund to support other programs and services.